Lanoszka, A. (2015). Do allies really free ride?. Survival, 57(3), pp. 133-152. doi: 10.1080/00396338.2015.1046229

Do Allies Really Free Ride?

Forthcoming in Survival[*]

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American decision-makers and security analysts often lament how allies often 'free ride' on the United States. In 2011, then Secretary of Defense Robert Gates spoke of how "nations [are] apparently willing and eager for American taxpayers to assume the growing security burden left by reductions in European defense budgets." He warned of the North Atlantic Treaty Organization's (NATO's) "dismal future" if European allies do not contribute their fair share. After all, in 2014, the majority of European members of NATO spent less than two percent of their gross domestic product (GDP) on their militaries. By contrast, the United States spent about four percent. And indeed, Gate's remarks resonate with some American politicians, pundits, and even prominent realist international security experts who describe allies as free riders when justifying their calls for the United States to revoke its military commitments abroad.[1] As the argument goes, if European allies were to stop free riding and improve their collective defense, then transatlantic security will increase and the United States can reduce its global footprint.

Charges of free riding are commonplace in contemporary alliance politics. Nevertheless, it is unclear what exactly free riding means. Intuitively, free riding refers to how some states do not contribute any share at all to the common good that benefits them.

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[*] NOTE: This version is not final and does not feature important revisions and updates that appear in the final publication.

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Yet allies always spend some amount on defense, thereby making this stringent definition useless. Another view holds that free riding occurs when states fail to contribute their fair share to the common defense. Free riders provide less than they could in proportion to their wealth, preferring instead to rely on the efforts of others so as to reap the same benefits but at lower expense. However, this rule for judging whether a state free rides does not seem to be used in practice. Take, for example, President Dwight Eisenhower's own grievances in the 1950s that European allies did not do enough for their own defense. Yet he himself was unsure what free riding really meant, and what he would prefer allies to do other than acquiring their own independent nuclear arsenals.[2] Allegations of free riding were a fixture in Congressional debates towards the late 1980s but it was only in 2006 did NATO adopt a precise standard when its members pledged to commit two percent of their GDP to defense.[3] In the context of increasingly complex technology and rising weapons costs, even this standard seems arbitrary.[4]

Though it is important to develop a consistent threshold for free riding, a more pressing question remains: does free riding really happen so as to have important consequences for international security? For one, the idea that states would defer their core security interests to others contradicts a core axiom in international relations scholarship. Put simply, anarchy means states should never trust one another with something as important as defense, especially as violations of alliance commitments are widespread.[5] Why would states free ride and thereby entrust others with their security given the risks involved? What then looks like free riding could in fact be the result of low threat assessments or some grand bargain with a superpower guarantor like the United States. For another, and here Eisenhower's own uncertainty is instructive, it is

unclear what military benefit is lost if the contributions of weaker states cannot significantly alter the military balance and the collective defense of NATO relies on its nuclear deterrent.

Building on these observations, I argue that free riding is far less pervasive and problematic than assumed. I first elaborate on the supposed logic of free riding, that is, that allies might find it in their rational interest to contribute less than their fair share to collective defense. I demonstrate that, conceptually, such arguments have important weaknesses. However, it is not enough to highlight these weaknesses given the contemporary policy relevance of the 'free riding' slogan. Accordingly, I highlight how states during the Cold War were not tempted to free ride as a first resort in their defense policies. Indeed, if European allies appear to be free riding today, then it is because they struck a grand bargain with the United States during the Cold War for them not to acquire nuclear weapons. Finally, I address another concern about free riding that Gates' remarks suggest: that consistently under-contributing to European defense reduces the capacity of allies to regenerate their security should the United States prove unwilling and unable to protect them. I show how Gates' concern might be overblown: NATO members in Central-Eastern Europe are actively taking steps to arm and balance against Russia amid the Ukrainian crisis.

Alliances and Free Riding

An alliance is "a relationship between two or more states that involves mutual expectations of some degree of policy coordination on security issues under certain conditions in the future."[6] It represents an attempt at collective action intended to address

some type of security threat. Indeed, institutionalizing an alliance by shepherding its founding treaty through domestic ratification procedures has the benefit of making commitments to collective action credible.[7] According to the rational choice perspective in economics and political science, individual actors face incentives to benefit from a collective action while passing onto others the costs incurred from contributing to that very action. Collective action should be implausible unless members have a strong stake in obtaining its benefits or avoiding the costs of violating commitments. Thus, alliances help solve collective action problems since states would need to damage their reputations severely should they decide not to fulfill their agreements.[8]

Free riding represents a failure of collective action whereby the under-provision of a public good is suboptimal because free riders do not contribute to its production. When the common good is non-excludable and non-rival in consumption, as in the case of street lighting and clean air, free riding incentives exist. Although alliances are by their nature excludable and rival in consumption, and thus should not feature those incentives,[9] 'free riding allies' remains a popular descriptor for some states. One possibility is that states might fail to mobilize during a military crisis, hoping to defer the costs of the conflict to allies (i.e. buckpassing).[10] Alternatively, they might still contribute to a military campaign but place restrictions that limit their participation. Meanwhile, other countries exert greater effort at the cost of blood and treasure.[11]

Though these situations might represent free riding, allegations of allies free riding often focus on defense contributions instead – an issue that this essay primarily addresses. Specifically, allies free ride when they do not contribute to the common defense burden proportionately to their capabilities. Just being in an alliance with a much

stronger country is not free riding. States must provide less than an equitable share because they prefer to defer the costs onto others while reaping the benefits of the collective good. One popular theory of alliances takes this argument further by emphasizing how the distribution of economic power within alliances affects patterns of state contributions to their collective defense. In a seminal study, Mancur Olson and Richard Zeckhauser find support for their proposition that larger allies bear disproportionately a greater share of the defense burden than their weaker counterparts.[12] Using cross-sectional data of NATO members in 1964, they show a positive and statistically significant relationship between GDP and the percentage of state resources devoted to the common defense. Some statistical tests corroborated these findings[13] whereas more have not.[14] Despite the mixed evidence, assertions that free riding remain popular in discussions of American military commitments around the world.

Yet the defense expenditure view of free riding stands uneasily alongside an axiom in international relations scholarship. That is, states cannot infer the intentions of others with certainty, making them cautious and even distrustful.[15] Some realists add that the international system encourages self-help since states cannot rely on the kindness of others.[16] States thus have to be mindful of their security in choosing their alignment options and armament policies. These choices face an important trade-off: alliances might help a state aggregate capabilities quicker but at the expense of uncertain support in future crises whereas armaments improve self-sufficiency but can be costly and slow to acquire.[17] Consequently, states determine some mixture of alliances and armaments that maximize deterrence against an adversary at the lowest possible cost.

Moreover, one assumption of economic theories of alliances is that the threat

motivating the alliance in the first place uniformly affects each member. However, every state also has a different assessment of the threat posed by the adversary because of geography, power projection, and political preferences.[18] It should be unsurprising that defense expenditures vary, even among allies.[19]

Finally, because of their inherent vulnerability, weak states have the most to lose from over-relying on their major power ally. As the experience of Taiwan indicates, they are susceptible to deals made between their major power ally and their adversary at their expense. Only if the weak state believes its security and survival to be of vital interest to the stronger ally could real incentives to free ride exist. Still, even then the weak state is likely of vital interest to its stronger ally precisely because of some shared sense of threat emanating from an adversary. When threat perceptions are high, the weaker ally still has strong reasons not to depend parasitically on its guarantor.

This last point suggests that free riding should occur when threat perceptions are low. Without a strong external threat, weaker states will be reluctant to commit to high levels of defense spending so as to enjoy a peace dividend. Therefore, they free ride on their major power allies whose interests are more far-reaching and merit continually high levels of military expenditures. However, a larger issue remains: why is equitable collective action necessary such that free riding matters and represents a valid concern? That is, why should there be collective action towards the production of a common good when the usefulness of that good is dubious? Alliance management could become a good onto itself, as was perhaps the case with the respect to NATO in the 1990s. But alliance management in a safe and peaceful environment should be relatively inexpensive: free riding should not matter even when it happens.[20]

We still must consider another, more practical issue. Simply because a weak state is free riding does not mean that the alliance will be more secure if it starts paying its 'fair' share. After all, the marginal contribution by a weak state will, by definition, be small and unlikely to tip meaningfully the balance of power, especially in the presence of nuclear weapons. Indeed, the only truly effective deterrent that a weak state can acquire to defend against a conventionally superior (and nuclear-armed) adversary is a nuclear arsenal. This problem becomes more urgent for the weaker state once its guarantor and major power adversary acquire survivable second-strike capabilities. After all, armed conflict between these major powers should become less likely. The incentives to engage in even lower levels of conflict could wane because of concerns regarding nuclear escalation. Taking one step further, Robert Jervis argues that allies cease being important to the survival of major powers like the United States under such conditions. As such, free riding becomes a misplaced concern.[21] An irony exists here: when states cease to matter to their stronger allies, they become more vulnerable to adversaries and thus have even less reason to free ride. It is thus an empirical question whether any decision of theirs to forego nuclear weapons reflects a choice to free ride on their alliances.

In short, at least with regards to the defense expenditure view of free riding, the concerns raised by Robert Gates, realist security scholars, and retrenchment advocates may be overstated. By depending too much on others, a state makes itself vulnerable to its adversary and gambles on its allies not abandoning it in the future. Because of the high stakes involved in international politics, such a gamble is risky. Lastly, if weaker states were to contribute equitably to the effective deterrence of an adversary, then the marginal benefit of the additional armaments is ambiguous when the adversary has nuclear

weapons.

Free Riding during the Cold War and Today

Even if the theory is problematic, states could still free ride in a manner that justifies the worry. One useful way to evaluate the argument is to examine historical and contemporary evidence. Thankfully, complaints regarding free riding are not new – they date at least as far back as the Eisenhower administration – and have evolved up through today. Cold War history indicates that allies did not trust the United States enough to free ride on it as a first resort. They consequently tried to acquire nuclear weapons. At present, NATO members threatened by Russian behavior are arming themselves despite their alliance benefits.

Western European Free Riding during the Cold War?

Since NATO faced a conventionally superior Warsaw Pact, American Cold War strategy relied heavily on the nuclear threat. A nuclear first use posture was seen as an effective and relatively inexpensive means to deter Soviet aggression.[22]

This strategy notwithstanding, American (and allied) troops were garrisoned on Western European territories, especially after the Korean War. They served to reassure NATO allies like West Germany that the United States would have 'skin in the game' should armed hostilities break out on the continent. Their role was at least as symbolic as military. Accordingly, Eisenhower regarded these forces as an economic burden on the United States and complained that the Europeans should develop their own conventional militaries so as to fill the role that American ground forces played. In November 1959, he

lamented to members of the National Security Council that:

> "At present we are bearing a large share of the infra-structure cost, we are bearing almost all the cost of the deterrent, and we are maintaining a large navy to keep the seas free ... It was high time that the thinking of Europe was reoriented and made more realistic before the NATO situation is further crystallized; it was high time that the population of Europe did its part with respect to ground forces. However, the U.S. could not initiate a definite scheme for the reduction of U.S. forces, and in the absence of agreement by Europe, say this and only this is what we are going to do."[23]

Put differently, Eisenhower recognized that American interests to contain the Soviet Union and reassure its Western European allies created perverse incentives for free riding. Some statistical studies validate Eisenhower's concerns that members of the Western alliance spent less than their fair share of their GDP on defense before the mid-1960s.[24]

Yet consider again American military strategy: to compensate for its conventional inferiority, it used the threat of nuclear weapons to deter Soviet aggression. Each Western European ally could apply the same logic so as to justify its own nuclear weapons program. To be sure, they could have collectively acquired enough conventional military power to reach parity with the Soviet bloc. Nevertheless, even if they were to overcome the associated collective action problems, Soviet countermeasures would have likely negated such efforts. Notwithstanding the statistical evidence mentioned above, little compelling strategic rationale existed for the Europeans to abide by American wishes to commit to large conventional defense expenditures during this time.[25]

Instead, European allies actively considered acquiring nuclear weapons. Already a lack of faith in American security guarantees partly drove British interest in acquiring a deliverable nuclear capability by the mid-1950s.[26] Later that decade, West Germany, France, and Italy – the three strongest continental allies of the United States – entered into a trilateral initiative to produce a European nuclear capability.[27] Each had its own reasons for doubting American guarantees. West German Chancellor Konrad Adenauer worried that the United States would withdraw its ground forces and thus eliminate a symbol of the American commitment to continental security.[28] French leaders understood the combination of the Suez Crisis and American unwillingness to use nuclear weapons in French Indochina as evidence of American perfidy.[29] Italian leaders also did not wish to defer completely to the United States in a key part of alliance decision-making. Furthermore, nuclear weapons made sense when these allies were geographically closer to the Soviet Union than the United States, which had the ocean as a buffer. Accordingly, although French President Charles de Gaulle cancelled this initiative shortly after returning to power, European states still hedged on whether to acquire nuclear weapons throughout the 1960s. France ultimately went nuclear. Other allies, including West Germany, held out for nuclear-sharing arrangements that the Eisenhower administration (and later the Kennedy and Johnson administrations) promised so as to gain greater input in NATO nuclear decision-making.[30] They used the threat of acquiring nuclear weapons to ensure American commitments to their security and even extract concessions regarding the design of the Nuclear Nonproliferation Treaty.[31]

Allies ultimately renounced nuclear weapons not because they wished to free ride, but because they struck a grand bargain with the United States. A growing body of

evidence suggests that the United States coerced its own allies to disavow independent nuclear arsenals.[32] After all, the United States has a powerful motive for curbing the spread of nuclear weapons. These weapons limit its capacity to project power and manage its alliances. Therefore, United States mounted counterproliferation efforts to discourage its European and East Asian allies.[33]

This observation raises an important question with respect to alliance politics. Often alliances are cast as mechanisms to aggregate capabilities in order to enhance deterrence.[34] Free riding is a problem because it leads to the underproduction of these aggregate capabilities. Yet depriving allies of nuclear weapons works against the goal of capability aggregation. Thus, what might look like exploitative free riding is really the implementation of a grand bargain struck between the United States and its allies.

One may argue that deterring the Soviet Union at the strategic (or tactical) nuclear level does not imply deterrence at lower levels of violence. Accordingly, Western European countries could have developed their own capabilities to reinforce these aspects of NATO defense. Some statistical work suggests that these allies did just that.[35] Yet recall the point made earlier: once major powers acquire mutual second-strike capabilities, their allies might be more attentive to whether the adversary can threaten their interests in a way that does not directly threaten their stronger patron. Indeed, in the late 1970s when they had already made nonproliferation pledges, Western European countries found investments in Soviet conventional capabilities less alarming than upgrades to Soviet missile capabilities (e.g., the SS-20). They perceived a major gap in American extended nuclear deterrence and so wanted American middle-range missiles.[36] These requests did not reflect a desire to free ride. The nuclear option at this point was closed to them given

their NPT commitments – something that the United States had wanted. Boosting conventional capabilities would have been inappropriate for negating advances in Soviet nuclear capabilities.

Free Riding in Europe Today?

Free riding concerns re-emerged following the end of the Cold War. European members of NATO seem not to have done their part for the alliance. The United States took the lead in the NATO air campaigns against Yugoslavia in 1999 and Libya in 2012. It – along with Canada and the United Kingdom – had also experienced difficulties in obtaining military support from NATO partners in the most dangerous parts of Afghanistan.[37] The concerns over burden-sharing that emerged in these campaigns hadless to do with budgets and more to do military operations in peripheral regions – a reflection of how NATO has evolved after the Cold War.

At a 2006 meeting, NATO members addressed the classic budgetary dimension of free riding and pledged to spend at least two percent of their GDPs. Ironically, fewer of them reached this target in 2014 than when they first made this commitment. But again, the absence of threat – rather than the exploitation of the benefits accrued from the contributions of others – can explain this tendency. Western Europe had faced no urgent international security threat to justify boosting defense expenditures. The collapse of the Soviet Union, and the accompanying geopolitical threat, enabled Western governments to justify reducing defense expenditures so as to increase funding to social programs. Even September 11, 2001 did not produce a call to arms, likely because Western European governments saw terrorism as an important criminal threat that prompted stronger law

enforcement and policing rather than an international threat that necessitated a strong military response.[38] Further, German politicians opposed American military action against Iraq whereas their French counterparts were more skeptical before finally opposing the invasion.[39] More recently, the prolonged economic crisis afflicting members of the European Union would make any initiatives to increase defense expenditures domestically unpalatable in an era of austerity. It is hard to justify diverting money from domestic programs to boost military capabilities especially when clear military threats are absent.

The security environment facing Europe changed dramatically over the course of 2014. This change began with the collapse of the Yanukovych government in Ukraine and the subsequent takeover of Crimea by Russia. In response, NATO members in Central-Eastern Europe invoked Article 6 of the North Atlantic Treaty. Only invoked three times in the past (by Turkey in all instances), this article calls on NATO allies to consult each other "whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened." To reassure its allies and deter Russia, the United States organized joint military exercises and deployed small numbers of armed forces in Central-Eastern Europe. Nevertheless, Russia still provided (and continues to do so, as of March 2015) financial and military aid to Russian-friendly rebels fighting Ukrainian government forces in eastern Ukraine. Tougher European and American sanctions followed the killing of three hundred civilians in the shooting down of a civilian airliner over Ukrainian territory, likely by Russian-backed rebels.[40]

Despite the recentness of these developments, it is worth pondering the extent to

which allies have become so psychologically dependent on the United States so as to defer to it the costs of security despite this threat. Their desire to extract new security assurances and bolster existing alliance ties is apparent. Polish leaders have asked for the stationing of about ten thousand NATO troops on its territories. The Baltic countries have pleaded the United States to offer more military assistance.[41]

One may thus interpret these pleas as indicating a desire to free ride on the United States. Indeed, it might be rational behavior to do so since these European allies do not, and could not, have the wherewithal to defend against Russia conventionally. To compare, Russia has almost 900,000 active troops whereas Poland has 100,000 and the Baltic countries each have somewhere between 5,000 to 12,000. Yet NATO on the aggregate spends about a trillion dollars on defense and the United States has over sixty thousand troops and nearly two hundred tactical nuclear weapons on the continent (mostly in Germany and Western Europe).[42] Being in NATO, these European allies receive an Article 5 commitment whereby an attack against one member is an attack against all.

Nevertheless, we already observe some form of balancing against Russia by these Central-Eastern European NATO members. Simply put, they are discounting the free ride available to them by depending less on the United States. Consider Poland, Germany, and the Baltic states in turn:

Poland

Poland joined NATO in 1999. At first glance, it appears to spend slightly below the minimum target of two percent set forward by NATO members in 2006. It spent 1.8 percent of its GDP on its military in 2013. However, this number is expected to rise to

about 1.95 percent in 2014 (about 10.4 billion US dollars) to satisfy a Polish law to keep defense spending at least at that level. Moreover, these numbers mask the military modernization program actively pursued by the Polish government. Indeed, total Polish defense spending has doubled since 2002. By 2022, an estimated 28 billion US dollars will be spent on acquiring new helicopters, maritime capabilities, and anti-missile and defense systems. Poland will thus have the most powerful ground force in Europe. These plans were already set before the Russian intervention in Crimea since the 2008 Russian war with Georgia heightened Polish threat perceptions but have since gained momentum.[43] These initiatives include phasing out Soviet-era equipment and build on several modernization programs of the Poland Armed Forces that have involved acquiring 48 F-16 C/D aircraft; 14 C-295 transport aircraft; and anti-tank guided and naval strike missiles.[44]

Poland might be free riding ever so slightly if we are to adhere strictly according to the two percent standard, but its behavior suggests a desire for greater security self-reliance. Named after the current Polish President, the so-called Komorowski Doctrine is the prevailing foreign policy vision in Poland today. It emphasizes homeland defense and improved military capabilities. This desire for autonomy is understandable given its history. The United Kingdom and France declared war on Nazi Germany following its invasion of Poland in September 1939, but did little more to relieve pressure on Poland. Despite Polish contributions to the allied war effort, the United States and the United Kingdom appeared to recognize Poland and much of Central-Eastern Europe as a Soviet sphere of influence. Free riding, therefore, entails too much trust that Polish leaders feel they can ill-afford.

To be sure, Poland is unique amongst other members of the Visegrad Group in its desire to bolster regional security. Formed in 1991, this initiative involves Poland, Hungary, the Czech Republic, and Slovakia. It aims partly to deepen military ties between them. The three other members of the Visegrad Group have shown a weaker desire to boost their militaries. Both Czech and Slovak leaders even rejected the idea that the United States should station its troops so as to bolster extended deterrence.[45] Yet this reluctance to follow Poland's example seems to reflect their lesser sense of the Russian threat and their desire to retain positive economic relations with Russia. Indeed, Hungarian President Viktor Orbán and his ruling party Jobbik are committed political allies to the Kremlin. Political preferences, and not the desire to exploit the contributions of other NATO members, shape their behavior.

Estonia, Latvia, and Lithuania

Having joined NATO in 2004, the three Baltic States are some of the smallest members of the alliance. Given their small size, they are most likely to contribute less than their proportional share to the overall defense burden. It is a rational course of action, in other words. Moreover, because of the relative smallness of the Baltic countries, not much deterrent value is gained from spending a more equitable portion on defense. Nor can they augment existing military capabilities that are essential for the alliance. The best deterrent they can acquire for preventing an attack on their territory would come from having their own nuclear weapons arsenals – something which even the United States would not accept. Accordingly, NATO has asked the Baltic States to focus on emergency relief and cyber security rather than building large standing armies.[46] NATO thus established a cyber defense center a few years after a major cyber attack, presumably

of Russian origin, against Estonia's electronic infrastructure in spring 2007.[47] By adhering to the two percent standard, they will improve only their denial capabilities and thus make it more difficult for Russia to invade their territories. Yet it is doubtful whether Russia would invade the territory of a state that can invoke Article 5 commitments under NATO when it had used more subversive techniques in Crimea and eastern Ukraine.

So what have they have done so far for their own defense? Their actual defense spending habits only fit this prediction ambiguously. Since joining NATO, Estonia has consistently spent about 2.4 percent of its GDP on its military. This proportion dropped in 2011 below 2%, but only because it merged the Border Guard Service with the National Police. Latvia spent somewhere between 1.7 and 1.9 percent of its GDP on the military before 2009. Lithuania has spent an estimate 1.4 percent of the country despite being the biggest of the three Baltic countries. Both Latvia and Lithuania cut defense expenditures dramatically, however, in the wake of a major economic crisis that began in 2008 when local property markets collapsed. Because their economics experienced major contraction amid austerity policies, Latvia and Lithuania found themselves spending closer to one percent of their GDP on defense.[48]

The Russian intervention in Ukraine appears to be reversing these trends in their defense spending. The Baltic States are contiguous to Russia and only obtained their independence thanks to the collapse of the Soviet Union. Any military effort that undermines territorial integrity in the region is unsettling to them. Moreover, proclamations made by President Vladimir Putin to protect Russian-speaking populations are particularly unsettling for Estonia and Latvia because at least a quarter of their populations use Russian as a first language. Estonia will continue spending at least two

percent of its budget on the military whereas Latvia pledged to reach such levels by 2020. The Latvian defense minister has put forward a law to strengthen this pledge.[49] Polls in March 2014 revealed a vast majority of Latvians want increases in military spending. Even Lithuania is seeking to double its defense spending so as to devote two percent of its GDP to the military. It will invest in air-defense systems and anti-tank rocket launching systems.[50] To increase manpower, Lithuania even reintroduced conscription in February 2015, having abolished it before in 2008. Indeed, Lithuanian President Dalia Grybauskaite noted that the Baltic states need to be self-sufficient in repelling any invasion for "at least 72 hours" before NATO can provide help.[51]

Germany

No discussion of balancing in Central-Eastern European balancing against Russia can be complete without Germany, which consistently spends below levels requested by the United States. In 2012, it spent less than 1.5 percent on its military.[52] Interestingly, despite being the fifth largest economy in the world, it is the seventh largest defense spender in the world. Nevertheless, it spends on the military disproportionately less than its economic power among NATO members. This under-spending is not accidental. It is the legacy of a grand bargain between the major powers, for the prospects of a rearmed (West) Germany unsettled allies (and especially adversaries) during the first half of the Cold War.[53] Indeed, another legacy of this grand bargain is the continuing American military presence in West Germany.

Another oft-cited reason for German military stinginess is the anti-militarist culture that developed in West German society following greater awareness of the

international crimes committed by the Nazi regime.[54] However, there are signs that anti-militarism is weakening, especially in light of the crisis over Ukraine. Even before the Russian intervention in Crimea, German President Joachim Gauck has declared the need for the Bundeswehr to be accorded with greater respect in German society. In a speech given at a security conference in Munich in January 2014, he acknowledged Germany's need for NATO and noted that Germany and its European allies should be more responsible for their security.[55] In June 2014, he described the Bundeswehr as "not a limitation on liberty, but a pillar of [German] liberty" and so meriting "our confidence."[56] He called on "greater active participation in conflict resolution" with other European Union and NATO members. Gauck's role as president is largely ceremonial, but his remarks did provoke criticism from members of the German left.[57]

Gauck's speech might only be a rhetorical blip in German defense policy, which admittedly remains unchanged since the beginning of the Ukraine crisis. Still, a series of well-publicized mishaps and logistical problems in 2014 revealed the sorry state of the German military.[58] One silver lining in these tribulations is that there may now exist a greater willingness to discuss openly increasing Germany's defense budget in a way that was not possible before. Already the Ministry of Defense is striving to repair Bundeswehr so as to make it a more attractive place for employment.[59] A new White Paper is in the making that will reassess the Bundeswehr's responsibilities and the capabilities needed for meeting them.[60] Greater investment in it is necessary if Germany wishes to continue to operate in multiple overseas missions abroad as it has been in the past decade.[61] Accordingly, in March 2015, upon citing global instability, German Finance Minister Wolfgang Schäuble signaled that higher German defense spending is in the offing.[62] The

Bundeswehr even activated a German tank battalion so as to bolster military cooperation with Polish, French, and Dutch armies.[63] These steps towards greater defense expenditures may be small and hesitant, but such a pace should not be surprising given Germany's experience with militarization.

No welfare queens in international politics

That allies exploit high American defense spending seems to be a popular slogan amongst American decision-makers, lawmakers, and even prominent realist scholars. Yet this slogan often serves a political end. Sometimes it is an exhortation to allies that they take seriously their own defense expenditures so as to complement (rather than substitute) American military power. Less innocuously, invocations of free riding allies help justify calls for the United States to reduce its role in the world by retracting military and political commitments to Europe and elsewhere. With fiscal and political pressures for retrenchment mounting, such invocations could resonate more loudly over the near term.

In light of these policy implications, this article challenges the widespread view that allies free ride. Certainly, the United States bears the greatest share of the defense burden when it comes to its own alliances. It spends more on defense as a percentage of GDP and offers nuclear security guarantees to European (and East Asian) allies. And so it might be in the rational interest of their allies to contribute less than their fair share towards their own collective defense. Nevertheless, what looks like free riding could be the result of low threat assessments rather than the opportunistic exploitation of high American defense spending. After the Cold War, free riding should have mattered less because there existed no major, nuclear-armed threat for NATO to deter. Moreover, the

structure of European military forces today is itself the legacy of grand bargains struck during the Cold War. Major American allies like West Germany did not want to take the free ride implied in the American nuclear security guarantees they received. Instead, they sought nuclear weapons, thereby provoking the United States into mounting coercive counterproliferation efforts against some of its own allies. Simply put, states take seriously their own security and choose not to depend on the kindness of others as a first resort.

In Central-Eastern Europe at least, we again see key NATO allies boosting their military capabilities to counteract the threat Russia now poses as a result of its actions in Ukraine. These states are not strictly relying on the patronage of the United States as expected by those who worry that under-contributing leads to strategic paralysis. To be sure, they want, and even ask for more, American military support. This desire is understandable: though they benefit from the Article 5 commitment that NATO offers, they do not host the physical trappings of American extended deterrence as their Western European counterparts do. Still, the states that feel threatened by Russia have expanded, or intend on expanding, their military budgets. Lithuania even introduced military conscription. Germany may be at the crossroads in its defense policy. Ironically, in the case of Poland and the Baltic countries, these countries do face strong incentives to pass the costs of security onto the United States. Owing to their small size relative to the United States, these states cannot either individually or collectively deter Russia conventionally. And yet their defense policies are assuming a character that suggests that they are not so entrusting of the United States so as to depend too much on it.

If arguments about free riding allies are wrong, especially when we consider

contributions via defense expenditures, then why do they remain popular? This question is a matter of conjecture, but several answers are possible. One is that it is the by-product of American leaders repeatedly encouraging allies to do more for their defense and thus relieve the United States of its extensive military commitments around the world. The rhetoric, once intended to encourage allies into doing their part, has taken a life of its own. It even has an analogue in American domestic politics whereby recipients of social assistance are seen as lazy but exploitative 'welfare queens' who need to be cut off in order to force them back to work. Nevertheless, it appears disingenuous when we consider past American efforts to deny allies those nuclear capabilities that would allow the United States to retract its military commitments abroad. American leaders thus only want their allies to do more for their defense up until a certain point. Another possibility is that the slogan of free riding allies is consistent with the view that international security and stability are largely due to the exertions of the United States. That allies do not fully trust the United States complicates the belief that it is an unquestionable force for good in the world. Allies might want the United States to maintain a global presence and attend to their security needs, but they are attuned to the vagaries of international politics so as not to take it for granted.

Endnotes

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